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C O N F I D E N T I A L SECTION 01 OF 03 LAGOS 000429

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STATE PASS DOE FOR GPERSON AND CGAY
TREASURY FOR ASEVERENS AND SRENENDER
COMMERCE FOR KBURRESS
STATE PASS TRANSPORTATION FOR MARAD
STATE PASS USTR FOR ASST USTR SLISER
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ

E.O. 12958: DECL: 03/23/2016

TAGS: [EPET](#) [ENERG](#) [PTER](#) [NI](#)

SUBJECT: BONGA SECURITY: IS DISTANCE ENOUGH PROTECTION FROM
MEND?

REF: A. 2005 LAGOS 1917

[1](#)B. LAGOS 48

[1](#)C. LAGOS 250

[1](#)D. LAGOS 367

Classified By: Acting Pol/Econ Chief Shannon Ross for Reasons 1.4 (D & E)

Summary

[1](#)1. (C) In a meeting with the Operations Manager of Nigeria,s first deepwater mega-project, Shell,s Bonga field, he delivered a sobering assessment of the security situation for the Floating, Production, Storage and Offloading (FPSO) vessels Bonga and the SeaEagle. His views are not necessarily those of senior Shell management, but represent the views of a man charged with the day-to-day management of the Bonga and Eastern Area (SeaEagle) fields. He views the Bonga as vulnerable to attack by militia groups, and operations on the SeaEagle as simply "untenable" in the current security environment. Nonetheless, Shell maintains its official position: it does not want its employees to carry heavy weapons due to human rights concerns, and looks to the GON to ensure FPSO security.

Bonga Operations Manager Assesses Bonga
Security as Poor; Naval "Presence" Only

[1](#)2. (C) Bonga Operations Manager Mihlon assesses the Bonga FPSO as vulnerable to attack by the Movement for the Emancipation of the Niger Delta (MEND) or other militia groups, which he believes have ample resources to attack the vessel. Mihlon stated there is currently "no security at Bonga, just a naval presence (one small vessel), which would be quickly overwhelmed in an attack." Mihlon states security for Bonga is typically less robust than for near-shore facilities, such as the Forcados Export

Terminal, which MEND quickly overwhelmed in its February attack (reftel C). While he notes reaching Bonga in relatively small flyboats would be logistically more complex for MEND than attacking near-shore facilities, he assesses the group is capable of doing so. Mihlon categorically stated neither Shell nor the Nigerian military can design a security system robust enough to repel an attack by 20-30 MEND flyboats, such as that carried out on March 11 (reftel D). The Bonga FPSO is located about 150 kilometers off the coast of Nigeria, southwest of Warri, Delta State, in oil mining lease (OML) bloc 118. Bonga initiated operations in December 2005, and produces about 225,000 bpd (reftel A).

The Outlook for Sea Eagle Production Grim,
Security Situation "Untenable"

13. (C) Echoing earlier comments by Shell,s West African Security Manager Colgate, Mihlon told us he does not see the FPSO Sea Eagle, with production of 115,000 bpd, coming back into operation for "months." Mihlon had previously been steadfast in his demand for two naval vessels to protect the SeaEagle before he would authorize re-manning it. However, after a recent MEND attack with at least twenty flyboats (reftel D), he has abandoned this demand, saying "all bets are off." He has now concluded it doesn't matter whether the Nigerian Navy provides two or ten vessels for the SeaEagle, since they remained incapable of defending against such an overwhelming attack. Mihlon, a former U.S. military officer, described a threat matrix with threat levels on one axis, and hardness of target on the other. He explained he has always been a proponent of

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focusing on hardness of target, since one cannot control an external threat level. However, he is now at a loss, since he does not consider any hardness of target adequate to re-man the SeaEagle. In sum, he currently considers the SeaEagle,s security situation "simply untenable."

14. (SBU) On the technical front, Mihlon said the SeaEagle will continue to deteriorate. The vessel was abandoned with little warning in January after a sea-based assault and the kidnapping of four hostages from a nearby Tidex vessel (reftel B). The vessel was not properly shut down to prepare for long-term inactivity, and equipment and pipes are deteriorating. Mihlon expects that repairs which might have taken three weeks if carried out immediately could take eight weeks or more by the time Shell is able to re-secure access to the vessel. Shell was able to send a crew to the vessel for three days two weeks ago, but the visit was not long enough to accomplish much.

Shell: "We, re Not in the Militia Business"

15. (C) Despite Mihlon,s frustration with security challenges, he indicated Shell,s official position remains the same: it does not want its employees to carry heavy weapons due to the potential for human rights abuses. (Note: Given accusations against Shell for previous human rights abuses, particularly during the era of military rule in Nigeria, Shell remains sensitive to any suggestion its employees have arms, which Nigerian law limits to government security forces (GSF). End note.) If the Nigerian military is unable to provide effective security, Mihlon indicated Shell will simply withdraw from the operational area. Mihon stated, "We, re not in the militia business," explaining that Shell is willing to mount security to repel a limited assault, but no more. He voiced his frustration that the military is not responding to the breakdown of order

in the Delta, stating Nigeria needs to have "some baseline of law and order." He concluded, noting "Nigeria needs to get its military up to speed, or we can't operate here." Mihlon indicated that a Nigerian military capacity to mount effective perimeter security for facilities such as Bonga would be acceptable.

Helicopter Warning of Threats to Bonga:
On a Propeller and a Prayer?

¶16. (C) Mihlon notes Shell sends three helicopters per day on round trips to Bonga, and hopes the helicopters might provide some type of early warning in the event of any attack. However, the helicopter flights are not designed to provide security for Bonga, nor manned by security personnel, so any contribution to Bonga security would purely fortuitous. Mihlon also voiced his frustration Bonga was not receiving the support of fast vessels the U.S. Coast Guard recently donated to the GON for use in Delta security.

A Bonga and SeaEagle Security Wish List

¶17. (C) To provide early warning of a possible attack on Bonga, Mihlon has requested a 30-knot patrol vessel to patrol the passage between Bonga and shore. He has also requested a 40-50 meter, 30-knot vessel with defensive capability, for surveillance. Mihlon stated the Sea Eagle needs a full complement of security craft, including at least two 20-meter, 30-40 knot interceptor craft, with crew residing on a 75-meter, 15-knot supply vessel

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equipped with weaponry. He stated this would allow Shell to intercept one to two boats attacking SeaEagle, which he considers a bare minimum. It remains unclear whether senior Shell management will authorize these acquisitions.

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Security Information Sharing Next on the Agenda
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¶18. (C) In the meantime, Mihlon is planning to reach out to other oil companies to carry out information-sharing and benchmarking exercises on security issues. Among other goals, he would like to develop common industry standards regarding when to de-man and re-man facilities under threat. His current goal is to convince Shell management to concur with his recommendation for Shell to match AGIP's use of crew-served weapons, rather than personal weapons, even if only to allow GSF to cover a retreat by Shell personnel and security forces. (Note: Mihlon's insistence on "getting across" to Shell management the need for crew-served weapons suggests he may be waging a losing battle. End note.)

¶19. This cable was cleared by Embassy Abuja.
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